

HOUSE BILL No. 1045

DIGEST OF INTRODUCED BILL

Citations Affected: IC 20-20-42.

Synopsis: School efficiency grants. Establishes the school efficiency grant program for the purpose of providing grants to school corporations for costs associated with implementing efficiency and cost effective measures. Establishes the school efficiency grant fund.

Effective: July 1, 2016.

Frye R

January 5, 2016, read first time and referred to Committee on Education.



Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1045

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 20-20-42 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2016]:

4 **Chapter 42. School Efficiency Grant Program and Fund**

5 **Sec. 1. As used in this chapter, "applicant" means a school**
6 **corporation that applies for a school efficiency grant under this**
7 **chapter.**

8 **Sec. 2. As used in this chapter, "fund" refers to the school**
9 **efficiency grant fund established by section 3 of this chapter.**

10 **Sec. 3. (a) The school efficiency grant fund is established for the**
11 **purpose of providing grants to school corporations for costs**
12 **associated with implementing efficiency and cost effective**
13 **measures.**

14 **(b) The fund consists of:**

15 **(1) appropriations made by the general assembly; and**
16 **(2) gifts, grants, devises, or bequests made to the state to**
17 **achieve the purposes of the fund.**



(c) The state board shall administer the fund.

(d) The expenses of administering the fund shall be paid from money in the fund.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

Sec. 4. The state board shall receive and consider an application from a school corporation for a school efficiency grant under this chapter.

Sec. 5. (a) To qualify for a grant under this chapter, a school corporation must:

(1) apply for the grant on a form supplied by the state board;

(2) submit a plan to the state board that includes:

(A) information on the efficiency and cost effective measures the school corporation is proposing to implement; and

(B) the cost associated with implementing the measures described in clause (A); and

(3) meet any other criteria established by the state board.

(b) Two (2) or more school corporations may apply for a grant together on one (1) application if the plan is proposing to implement efficiency and cost effective measures that would affect the two (2) or more school corporations applying for the grant.

(c) The state board may require an applicant to include a cost analysis study of the proposed plan.

(d) The state board shall establish criteria for the:

(1) selection of plans submitted under subsection (a); and

(2) awarding of grants under this chapter.

Sec. 6. In determining whether to award a school efficiency grant to an applicant under this chapter, the state board shall consider whether the plan submitted by the applicant under section 5 of this chapter will do one (1) or more of the following:

(1) Reduce administrative costs by merging or consolidating administrative services within a school corporation or among two (2) or more school corporations.

(2) Reduce the duplication of programs or services within a school corporation or among two (2) or more school corporations.

(3) Increase cost efficiencies relating to the use of school facilities.



1 (4) Reduce debt of one (1) or more school corporations.

2 (5) Establish any other measure that would significantly
3 reduce costs related to the provision of educational services,
4 special education services, or any other service provided
5 within a school corporation or among two (2) or more school
6 corporations.

7 Sec. 7. The state board may award a school efficiency grant to
8 an applicant that meets the requirements under this chapter.

9 Sec. 8. The state board shall establish the terms and conditions
10 for awarding a grant to an applicant under this chapter, including
11 requirements to ensure that the applicant complies with the grant
12 terms and conditions.

13 Sec. 9. (a) Subject to subsection (b), the state board shall
14 determine the amount of each grant awarded under this chapter.

15 (b) The state board shall establish written guidelines for
16 determining the amount of a grant awarded to an applicant based
17 on the amount of cost savings to the applicant as a result of
18 implementing the plan submitted under section 5 of this chapter.
19 However, a grant awarded under this chapter for implementation
20 of a plan may not exceed five hundred thousand dollars (\$500,000).

21 Sec. 10. (a) Except as provided in subsection (b), a school
22 corporation that receives a grant under this chapter must use the
23 amount of the grant for the costs associated with implementing the
24 plan submitted under section 5 of this chapter.

25 (b) A school corporation that receives a grant under this chapter
26 may use the amount of the grant awarded to pay any costs of
27 preparing a cost analysis study associated with a plan submitted
28 under section 5 of this chapter.

29 Sec. 11. The state board shall establish rules under IC 4-22-2 to
30 administer this chapter.

